

Senate Amendment 3486

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1 1 Amend Senate File 604 as follows:
1 2 #1. Page 1, by inserting before line 1 the
1 3 following:
1 4 <Section 1. NEW SECTION. 422.11T INCOME TAX
1 5 CREDIT FOR CERTAIN RENTERS.
1 6 1. The taxes imposed under this division, less the
1 7 credits allowed under sections 422.12 and 422.12B,
1 8 shall be reduced by a renters tax credit. The tax
1 9 credit shall not exceed an amount equal to ten percent
1 10 of the total rent paid by the taxpayer for lease of
1 11 property described in section 441.21, subsection 13,
1 12 during the tax year.
1 13 2. Any credit in excess of the tax liability shall
1 14 be refunded with interest computed under section
1 15 422.25. In lieu of claiming a refund, a taxpayer may
1 16 elect to have the overpayment shown on the taxpayer's
1 17 final, completed return credited to the tax liability
1 18 for the following tax year.
1 19 3. An individual may claim the tax credit allowed
1 20 a partnership, limited liability company, S
1 21 corporation, estate, or trust electing to have the
1 22 income taxed directly to the individual. The amount
1 23 claimed by the individual shall be based upon the pro
1 24 rata share of the individual's earnings of the
1 25 partnership, limited liability company, S corporation,
1 26 estate, or trust.
1 27 Sec. _____. Section 422.33, Code 2007, is amended by
1 28 adding the following new subsection:
1 29 NEW SUBSECTION. 24. a. The taxes imposed under
1 30 this division shall be reduced by a renters tax
1 31 credit. The tax credit shall not exceed an amount
1 32 equal to ten percent of the total rent paid by the
1 33 taxpayer for lease of property described in section
1 34 441.21, subsection 13, during the tax year.
1 35 b. For corporations that file a consolidated Iowa
1 36 return in accordance with section 422.37, each
1 37 corporation filing on the consolidated return that
1 38 paid rent for lease of property described in section
1 39 441.21, subsection 13, during the tax year may claim
1 40 the tax credit.
1 41 c. Any credit in excess of the tax liability shall
1 42 be refunded with interest computed under section
1 43 422.25. In lieu of claiming a refund, a taxpayer may
1 44 elect to have the overpayment shown on the taxpayer's
1 45 final, completed return credited to the tax liability
1 46 for the following tax year.>
1 47 #2. Page 4, by inserting before line 8 the
1 48 following:
1 49 <Sec. _____. APPLICABILITY. The sections of this
1 50 Act enacting new Code section 422.11T and amending
2 1 Code section 422.33 apply to tax years beginning on or
2 2 after January 1, 2009.>
2 3 #3. Title page, line 1, by striking the words <to
2 4 the> and inserting the following: <to income and
2 5 property taxes by creating an income tax credit for
2 6 certain renters and by establishing the minimum>.
2 7 #4. Title page, line 6, by inserting after the
2 8 word <cities> the following: <and including an
2 9 applicability provision>.
2 10 #5. By renumbering as necessary.
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2 14 LARRY McKIBBEN
2 15 SF 604.705 82
2 16 sc/gg/7403